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RUEHBY/AMEMBASSY CANBERRA 1654
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C O N F I D E N T I A L SECTION 01 OF 02 SINGAPORE 001379

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SUBJECT: SINGAPORE ELECTION: OPPOSITION TO MAKE A RACE OF IT

REF: A. SINGAPORE 1326

[1](#)B. SINGAPORE 1289

Classified By: EP Counselor Laurent Charbonnet. Reasons 1.4 (b)(d)

[1](#)1. (C) Summary: For the first time since 1988, the opposition parties will contest more than half of the seats for parliament in the May 6 general election, denying the ruling People's Action Party (PAP) an automatic majority on nomination day. The economy and local issues will dominate the nine-day election campaign and the PAP will benefit from a booming economy and generous handouts in the recently enacted budget. Despite media hype about how "breathless" one should be about the PAP's 24 new MP candidates, they are a mixed lot. Some are of ministerial caliber, but others were drawn from the second or third tier, noted one PAP MP. The opposition parties, especially the Workers' Party, have put together a better set of candidates than in the past -- but can realistically hope only to begin the process of improving their public image. End Summary.

An Actual Contest

[1](#)2. (SBU) For the first time since 1988, the opposition parties will contest more than half of the seats for parliament in the May 6 general election. At the April 27 nomination deadline, the opposition put forward 47 candidates for the 84 seats in parliament. In the last three general elections, the ruling People's Action Party (PAP) was automatically returned to power on nomination day as more than half of its candidates won "walkovers" when the opposition failed to field an opponent. In addition, this year, the Workers' Party (WP) decided to run a slate in Prime Minister Lee Hsien Loong's electoral district -- giving the PM his first electoral challenge in 18 years. Institute of Policy Studies Research Fellow Jeanne Conceicao characterized it as a "suicide mission" for the WP slate, but should reduce the time the PM can spend campaigning outside his district.

All Politics is Local

[1](#)3. (SBU) The economy and local matters will be the central issues in the nine-day election campaign. The PAP will benefit from the strong state of the economy, which has been booming for the last few years. Economic growth in 2005 exceeded 6 percent and should be 4-6 percent this year. Furthermore, unemployment has fallen to a four-year low of 2.5 percent. Nevertheless, Singapore faces growing income inequality with the bottom 20 percent of households suffering a real decline in income. Opposition parties plan to focus

on this issue as well as on the rising cost of living in general, Singapore People's Party (SPP) Chairman Sin Kek Tong told us. To deal with this, the PAP approved a government budget for this year that included a S\$2.6 billion giveaway to voters -- dubbed the "Progress Package." Singaporeans will receive hundreds of dollars each and more money will be targeted for the elderly and working poor. The payouts are timed for May 1, just five days before the election.

14. (U) The vast majority of Singaporeans live in government-built apartments that they buy. Over the last six months, the PAP government has rolled out plans for housing estate upgrades and new amenities in many key districts. The two opposition districts have generally been last in line for any such upgrades. For example, Foreign Minister Yeo's electoral district received more than five times as much grant money on a per-household basis than WP MP Low Thia Khiang's, according to press reports. The PAP has promised to give the opposition wards far more assistance if they elect PAP candidates this time.

15. (C) One concern for the PAP is a decline in the maintenance standards in the housing estates, PAP MP Charles Chong told us. In order to create more jobs for lower-skilled Singaporeans, the local town councils have had to replace cheaper foreign labor with more expensive Singaporeans to do the cleaning, painting, and repair work.

PAP "Self-Renewal"

16. (C) The new group of 24 PAP MP candidates has benefited from extensive and glowing media coverage starting well

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before the announcement of the election date, while opposition candidates have been given cursory attention. Despite the media hype and the fact that they still outshine the opposition, the new PAP MP candidates are a mixed lot. A few of them look like they have ministerial potential, notably former Chief of Navy Lui Tuck Yew and former International Enterprises of Singapore CEO Lee Yi Shyan. Some of the others we have met look quite weak, with limited political skills or policy experience. It looks as if the PAP was trying to meet an overall profile -- so many community activists, so many union officials, a few business figures, commented Conceicao.

17. (C) PAP MP Chong admitted that the party had not succeeded in recruiting a number of "high-flying" business leaders to run. In fact, the party had to reach down to some of its second and third tier candidates to fill out its ticket. Those new candidates will all run in the Group Representative Constituencies (GRCs) helmed by higher profile ministers -- for example, four of them will run in Senior Minister Goh Chok Tong's uncontested district. Overall, the opposition will compete in only 7 of the 14 GRCs.

Opposition Hopes

18. (SBU) The opposition parties, especially the Workers Party, have put together a better set of candidates than in the past -- with more education and professional qualifications. Running on their resumes has long been a foundation of PAP campaigning, but it has acknowledged that the WP has done a better recruiting job this time. In what will undoubtedly be one of the most watched districts, the WP Chairman Sylvia Lim is leading a slate against Foreign Minister George Yeo in the Aljunied GRC. Although several political observers say FM Yeo's frequent travels have affected his support at the grassroots level, the WP slate looks doomed.

19. (C) Most opposition leaders are not sanguine about their chances this year. Non-Constituency MP Steven Chia said he

will likely abandon politics if he loses again. SPP Chairman Sin told us he thinks the PAP might win a clean sweep of all 84 seats. Dr. Chee Soon Juan's Singapore Democratic Party (SDP) appears on the verge of collapse (Ref A.) The heavy-handed defamation suit brought by PM Lee and Minister Mentor Lee Kuan Yew against the SDP and the printer of its newspaper has fractured the party's leadership. It is unclear if the SDP will even be able to print campaign posters and flyers for the election after its part-time printer (and part-time taxi driver) promised to not do any work for them when he settled with the PM and MM.

¶10. (C) The opposition should focus on changing the public's impression of them, observed National University of Singapore (NUS) Professor Kenneth Tan. Opposition politicians have a reputation for being "clowns" or pursuing "vendettas" against the PAP. By demonstrating their professionalism this time, the opposition could lay the groundwork for electoral gains down the road.

¶11. (C) Comment: The PAP enters the campaign period confident of victory. At the same time, it is eager to talk down expectations for its final vote total -- to ensure that PM Lee is seen as securing a mandate -- and continues to put forth that 65 percent of the popular vote is a stirring victory. Winning a GRC would be a major breakthrough for the opposition, but remains a long shot. A more realistic goal would be to win two or three seats and leave the voters with a more positive impression. End Comment.
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